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**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

**(Transmittal No. 16-12)**

**36(b)(1) Arms Sales Notification**

**AGENCY:** Department of Defense, Defense Security Cooperation Agency.

**ACTION:** Notice.

**SUMMARY:** The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

**FOR FURTHER INFORMATION CONTACT:** Sarah A. Ragan or Heather N. Harwell, DSCA/LMO, (703) 604-1546/ (703) 607-5339.

The following is a copy of a letter to the Speaker of the House of Representatives,

Transmittal 16-12 with attached Policy Justification.

Dated: February 26, 2016.

Aaron Siegel,  
Alternate OSD Federal Register Liaison Officer,  
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY  
201 12TH STREET SOUTH, STE 203  
ARLINGTON, VA 22202-5408

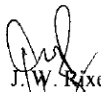
The Honorable Paul D. Ryan  
Speaker of the House  
U.S. House of Representatives  
Washington, DC 20515

FEB 23 2016

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 16-12, concerning the Department of the Air Force's proposed Letter(s) of Offer and Acceptance to Iraq for defense articles and services estimated to cost \$350 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

  
J. W. Rixey  
Vice Admiral, USN  
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Regional Balance (Classified Document Provided Under Separate Cover)



Transmittal No. 16-12

Notice of Proposed Issuance of Letter of Offer  
Pursuant to Section 36(b)(1)  
of the Arms Export Control Act, as amended

(i) Prospective Purchaser: Government of Iraq

(ii) Total Estimated Value:

Major Defense Equipment* Other	\$ 0 million
TOTAL	<u>\$ 350 million</u>
	\$ 350 million

(iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:

Non-Major Defense Equipment (MDE):

The Iraq Air Force is requesting a five-year sustainment package for its KA-350 fleet that includes contract logistics, training, and contract engineering services. Also included in this possible sale are operational and intermediate depot level maintenance, spare parts, component repair, publication updates, maintenance training, and logistics.

(iv) Military Department: Air Force (X7-D-QBQ)

(v) Prior Related Cases, if any: FMS Case: IQ-D-QAX-\$169M-13 September 2011, IQ-D-QBK-\$750K-19 November 2009

(vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None

(vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: None

(viii) Date Report Delivered to Congress: 23 February 2016

\* as defined in Section 47(6) of the Arms Export Control Act.

## POLICY JUSTIFICATION

### Government of Iraq-KA-350 Sustainment, Logistics, and Spares Support

The Government of Iraq is requesting a five-year sustainment package for its KA-350 fleet that includes; operational and intermediate depot level maintenance, spare parts, component repair, publication updates, maintenance training, and logistics. There is no Major Defense Equipment associated with this case. The overall total estimated value is \$350 million.

The Iraq Air Force (IqAF) operates five (5) King Air 350 ISR (intelligence, surveillance, and reconnaissance) and one (1) King Air 350 aircraft. The KA-350 aircraft are Iraq's only ISR-dedicated airborne platforms and are used to support Iraqi military operations against Al-Qaeda affiliates and Islamic State of Iraq and the Levant (ISIL) forces. The purchase of a sustainment package will allow the IqAF to continue to operate its fleet of six (6) KA-350 aircraft beyond September 2016 (end of the existing Contract Logistics Support (CLS) effort). Iraq will have no difficulty absorbing this support.

The proposed sale will contribute to the foreign policy and national security goals of the United States by helping to improve a critical capability of the Iraq Security Forces in defeating ISIL.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The prime contractor will be Beechcraft Defense Company, Wichita, KS. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will not require the assignment of any additional U.S. Government or contractor representatives to Iraq.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

All defense articles and services listed in this transmittal have been authorized for release and export to the Government of Iraq.